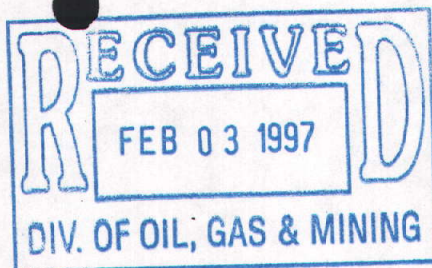


FORM MR-RC  
Revised June 10, 1996  
RECLAMATION CONTRACT



File Number M/053/004

Effective Date Feb. 26, 1997

STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION of OIL, GAS and MINING  
1594 West North Temple Suite 1210  
PO Box 145801  
Salt Lake City, Utah 84114-5801  
(801) 538-5291  
Fax: (801) 359-3940

*Contract replaced  
1-8-02.*

### RECLAMATION CONTRACT

---ooOoo---

For the purpose of this RECLAMATION CONTRACT the terms below are defined as follows:

"NOTICE OF INTENTION" (NOI): (File No.)  
(Mineral Mined)

M/053/004  
Germanium/Gallium/Copper

"MINE LOCATION":

(Name of Mine)  
(Description)

Apex Mine  
Underground Mine located in Sections 6,7,  
1 and 2, R17 and 18 W, T43 S  
Washington County, Utah

"DISTURBED AREA":

(Disturbed Acres)  
(Legal Description)

9 Acres  
(refer to Attachment "A")

"OPERATOR":

(Company or Name)  
(Address)

Cominco American Incorporated  
P. O. Box 3087  
Spokane, WA 99220

(Phone)

(509) 747-6111



"OPERATOR'S REGISTERED AGENT":

(Name)

(Address)

(Phone)

David W. Godlewski, Environmental Mgr

Cominco American Incorporated

15918 East Euclid Avenue

Spokane, WA 99216-1815

(509) 922-8787

"OPERATOR'S OFFICER(S)":

George P. Cole, Vice President, Exploration

William J. Robertson, President

C. Bruce DiLuzio, Secretary

"SURETY":

(Form of Surety - Attachment B)

MR Form 5 - Surety Bond

"SURETY COMPANY":

(Name, Policy or Acct. No.)

US Fidelity & Guaranty

Bond No. \_\_\_\_\_

"SURETY AMOUNT":

(Escalated Dollars)

\$48,200

"ESCALATION YEAR":

2002

"STATE":

State of Utah

"DIVISION":

Division of Oil, Gas and Mining

"BOARD":

Board of Oil, Gas and Mining

ATTACHMENTS:

A "DISTURBED AREA":

B "SURETY":

This Reclamation Contract (hereinafter referred to as "Contract") is entered into between Cominco American Incorporated the "Operator" and the Utah State Board of Oil, Gas and Mining ("Board").

WHEREAS, Operator desires to conduct mining operations under Notice of Intention (NOI) File No. M/053/004 which has been approved by the Utah State Division of Oil, Gas and Mining "Division" under the Utah Mined Land Reclamation Act, Sections 40-8-1 et seq., Utah Code Annotated, (1953, as amended) (hereinafter referred to as "Act") and implementing rules; and

WHEREAS, Operator is obligated to reclaim that area described as the Disturbed Area as set forth and in accordance with Operator's approved Reclamation Plan, and Operator is obligated to provide surety in form and amount approved by the Board, to assure reclamation of the Disturbed Area.



NOW, THEREFORE, the Board and the Operator agree as follows:

1. Operator agrees to conduct reclamation of the Disturbed Area in accordance with the Act and implementing regulations, the original Notice of Intention dated 2/10/84, and the original Reclamation Plan dated 2/10/84. The Notice of Intention as amended, and the Reclamation Plan, as amended, are incorporated by this reference and made a part hereof.
2. Concurrent with the execution hereof, Operator has provided surety to assure that reclamation is conducted, in form and amount acceptable to the Board. Such surety as evidenced by the Surety Contract is in the form of the surety attached hereto as Attachment B and made a part hereof. The Surety Contract shall remain in full force and effect according to its terms unless modified by the Board in writing. If the Surety Contract expressly provides for cancellation, then, within 60 days following the Division's receipt of notice that the Surety Company intends to cancel the Surety Contract, the Operator shall provide a replacement Surety Contract in a form and amount reasonably acceptable to the Board. If the Operator fails to provide an acceptable replacement Surety Contract, the Division may order the Operator to cease further mining activities and to begin immediate reclamation of the Disturbed Area.
3. Operator agrees to pay legally determined public liability and property damage claims resulting from mining to the extent provided in Section 40-8-7(1)(e) of the Act.
4. Operator agrees to perform all duties and fulfill all reclamation requirements applicable to the mine as required by the Act and implementing rules, the Notice of Intention, as amended and the Reclamation Plan, as amended.
5. The Operator's liability under this Contract shall continue in full force and effect until the Division certifies that the Operator has reclaimed the Disturbed Area in accordance with the Act and implementing rules, the Notice of Intention, as amended and the Reclamation Plan, as amended.
6. If reclamation of discrete sections of the Disturbed Area is completed to the satisfaction of the Division, and the Division finds that such sections are severable from the remainder of the Disturbed Area, Operator may request the Division to certify that Operator has reclaimed such discrete sections of the Disturbed Area in accordance with the Act and Implementing rules, the Notice of Intention, as



amended and the Reclamation Plan, as amended. If the Division makes such certification, Operator may make request to the (Board) that the aggregate face amount of the Surety Contract provided pursuant to paragraph 2 be reduced to an amount necessary to provide for completion of the remaining reclamation. The (Board) shall hear Operator's request for such reduction in accordance with the Board's Procedural Rules concerning requests for Agency Action.

7. Operator agrees to indemnify and hold harmless the State, Board and the Division from any claim, demand, liability, cost, charge, suit, or obligation of whatsoever nature arising from the failure of Operator or Operator's agents and employees, or contractors to comply with this Contract.
8. Operator may, at any time, submit a request to the Board to substitute surety. The Board, in its sole judgment and discretion, may approve such substitution if the substitute surety meets the requirements of the Act and the implementing rules.
9. This Contract shall be governed and construed in accordance with the laws of the State of Utah.
10. If Operator shall default in the performance of its obligations hereunder, Operator agrees to pay all costs and expenses, including reasonable attorney's fees and costs incurred by the Division and/or the Board in the enforcement of this Contract.
11. Any breach that the Division finds to be material of the provisions of this Contract by Operator may, at the discretion of the Division, result in an order to cease mining operations. After opportunity for notice and hearing, the Board of Oil, Gas and Mining may enter an order to revoke the Notice of Intention, order reclamation, or order forfeiture of the Surety Contract, or take such other action as is authorized by law.
12. In the event of forfeiture of the Surety Contract, Operator shall be liable for any additional costs in excess of the surety amount which are required to comply with this Contract. Any excess monies resulting from forfeiture of the Surety Contract, upon completion of reclamation and compliance with this Contract, shall be returned to the rightful claimant.
13. This Contract including the Notice of Intention, as amended and the Reclamation Plan, as amended, represents the entire agreement of the parties involved, and any modification must be approved in writing by the parties involved.




14. Each signatory below represents that he/she is authorized to execute this Contract on behalf of the named party.

Cominco American Incorporated

Operator Name


By: C. Bruce DiLuzio  
Authorized Officer (Typed or Printed)

x   
Authorized Officer's Signature

January 10, 1997  
Date

SO AGREED this 26th day of February, 1997

AND APPROVED AS TO FORM AND AMOUNT OF SURETY:

BY   
Dave D. Lauriski, Chairman  
Utah State Board of Oil, Gas and Mining



DIVISION OF OIL, GAS AND MINING:

By

James W. Carter, Director

Date

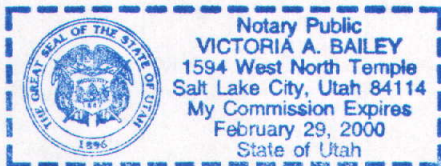
2/26/97

STATE OF UTAH )

) ss:

COUNTY OF SALT LAKE )

On the 26<sup>th</sup> day of February, 19 97, personally appeared before me James W. Carter, who being duly sworn did say that he/~~she~~, the said James W. Carter is the Director of the Division of Oil, Gas and Mining, Department of Natural Resources, State of Utah, and he/~~she~~ duly acknowledged to me that he/~~she~~ executed the foregoing document by authority of law on behalf of the State of Utah.



Victoria A. Bailey  
Notary Public  
Residing at: SALT LAKE CITY, UTAH

February 29, 2000  
My Commission Expires:







ATTACHMENT "A"

Cominco American Incorporated  
Operator

Apex Mine  
Mine Name

M/053/004  
Permit Number

Washington County, Utah

The legal description of lands to be disturbed is:

Southwest 1/4 of the Southwest 1/4 of Section 6, Township 43 South, Range 17 West

Southeast 1/4 of the Southeast 1/4 of Section 1, Township 43 South, Range 18 West

Washington County, Utah